

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: 03/27/2012
POSITION: Neutral, note concerns

BILL NUMBER: AB 2024
AUTHOR: Mendoza, Tony

BILL SUMMARY: Vehicular air pollution: exemption: low-use vehicles: nonprofit organizations.

Existing law and regulation establishes requirements for diesel-fueled school buses with gross vehicle weight ratings over 14,000 pounds. Owners of these vehicles must retire school buses by specified dates or install particulate filters on the buses no later than January 1, 2014. Existing law provides provides a low-use vehicle exemption for covered buses operated fewer than 1,000 miles per year.

This bill states legislative intent that the Air Resources Board (Air Board) establish a special definition of "low-use vehicle" for vehicles belonging to tax-exempt churches and religious organizations and defines "affected vehicle" to include diesel-fueled school buses, among other vehicles. The bill would raise the mileage exemption limit from 1,000 miles per year to 5,000 miles per year for "low-use vehicles", as defined.

FISCAL SUMMARY

The Air Board estimates any cost to implement the provisions of the bill would be minor and absorbable within existing resources. The Department of Finance (Finance) concurs.

COMMENTS

Finance is neutral on the bill, but notes the following concern:

- The existing school bus diesel emission retrofit/replacement requirements are designed to reduce emissions from school buses to enhance and protect the health of the children riding in the buses. Allowing an exemption for a larger number of school buses would be inconsistent with the air quality improvement and public health protection goals of those requirements.

The bill is intended to provide financial relief to non-profit churches and religious organizations in the state who lack the resources to comply with the current ARB school bus diesel emission retrofit requirements due to a lack of funds and who need to drive the buses above the current 1,000 mile exemption in order to transport children to church services and functions.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)					
	LA	(Dollars in Thousands)					
	CO	PROP					Fund
	RV	98	FC	2011-2012 FC	2012-2013 FC	2013-2014	Code
3900/Air Res Bd	SO	No		-----	No/Minor Fiscal Impact -----		0115
<u>Fund Code</u>	<u>Title</u>						
0115	Air Pollution Control Fund						

Analyst/Principal (0623) J.McGuinn	Date	Program Budget Manager Karen Finn	Date
Department Deputy Director	Date		
Governor's Office:	By:	Date:	Position Approved _____ Position Disapproved _____
BILL ANALYSIS			Form DF-43 (Rev 03/95 Buff)